

JOHN B. BULGOZDY, Cal. Bar No. 219897

Email: bulgozdyj@sec.gov

SUSAN F. HANNAN, Cal. Bar No. 97604

Email: [hannans@sec.gov](mailto:hannans@sec.gov)

Attorneys for Plaintiff

# Attorneys for Plaintiff Securities and Exchange Commission

Rosalind R. Tyson, Regional Director

John M. McCoy III, Associate Regional Director

John M. Wiley III, Associate Regis  
5670 Wilshire Boulevard, 11th Floor

Los Angeles, California 90036

Telephone: (323) 965-3998

Facsimile: (323) 965-3908

Assume: (S1), (S2) & (S3)

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

## **SECURITIES AND EXCHANGE COMMISSION,**

Case No. CV 11-2934 SJO (JCx)

**Plaintiff,**

vs.

**JUDGMENT OF PERMANENT  
INJUNCTION AND OTHER  
RELIEF AS TO DEFENDANT  
RAFAEL SANCHEZ**

MAM WEALTH MANAGEMENT, LLC; MAMW REAL ESTATE FUND GENERAL PARTNER, LLC; ALEX MARTINEZ; and RAPHAEL SANCHEZ,

## Defendants.

18

19

20

21

22

23

24

25

26

27

1 The Securities and Exchange Commission having filed a Complaint and  
2 Defendant Rafael Sanchez (“Defendant”) having entered a general appearance;  
3 consented to the Court’s jurisdiction over Defendant and the subject matter of this  
4 action; consented to entry of this Judgment of Permanent Injunction and Other  
5 Relief (“Judgment”) without admitting or denying the allegations of the Complaint  
6 (except as to jurisdiction); waived findings of fact and conclusions of law; and  
7 waived any right to appeal from this Judgment:

L.

9           IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant  
10 and Defendant's agents, servants, employees, attorneys, and all persons in active  
11 concert or participation with them who receive actual notice of this Judgment by  
12 personal service or otherwise are permanently restrained and enjoined from  
13 violating Section 17(a) of the Securities Act of 1933 (the "Securities Act"), 15  
14 U.S.C. § 77q(a), in the offer or sale of any security by the use of any means or  
15 instruments of transportation or communication in interstate commerce or by use  
16 of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
  - (b) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
  - (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

II.

26 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that  
27 Defendant and Defendant's agents, servants, employees, attorneys, and all persons  
28 in active concert or participation with them who receive actual notice of this

1 Judgment by personal service or otherwise are permanently restrained and enjoined  
2 from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act  
3 of 1934 (the “Exchange Act”), 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated  
4 thereunder, 17 C.F.R. § 240.10b-5, by using any means or instrumentality of  
5 interstate commerce, or of the mails, or of any facility of any national securities  
6 exchange, in connection with the purchase or sale of any security:

- 7 (a) to employ any device, scheme, or artifice to defraud;
- 8 (b) to make any untrue statement of a material fact or to omit to state a  
9 material fact necessary in order to make the statements made, in the  
10 light of the circumstances under which they were made, not  
11 misleading; or
- 12 (c) to engage in any act, practice, or course of business which operates or  
13 would operate as a fraud or deceit upon any person.

### 14 III.

15 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that  
16 Defendant and Defendant’s agents, servants, employees, attorneys, and all persons  
17 in active concert or participation with them who receive actual notice of this  
18 Judgment by personal service or otherwise are permanently restrained and enjoined  
19 from violating, directly or indirectly, while acting as an investment adviser,  
20 Sections 206(1) and 206(2) of the Investment Advisers Act of 1940 (the “Advisers  
21 Act”), 15 U.S.C. §§ 80b-6(1) & 80b-6(2), by using the mails or any means or  
22 instrumentality of interstate commerce:

- 23 (a) to employ any device, scheme, or artifice to defraud any client or  
24 prospective client;
- 25 (b) to engage in any transaction, practice, or course of business which  
26 operates as a fraud or deceit upon any client or prospective client.

27 ///

28 ///

1    **IV.**

2    IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that  
3 Defendant shall pay disgorgement of ill-gotten gains, prejudgment interest thereon,  
4 and a civil penalty pursuant to Section 20(d) of the Securities Act, 15 U.S.C. §  
5 77t(d), and Section 21(d)(3) of the Exchange Act, 15 U.S.C. § 78u(d)(3). The  
6 Court shall determine the amounts of the disgorgement and civil penalty upon  
7 motion of the Commission. Prejudgment interest shall be calculated from April 1,  
8 2009, based on the rate of interest used by the Internal Revenue Service for the  
9 underpayment of federal income tax as set forth in 26 U.S.C. § 6621(a)(2). In  
10 connection with the Commission's motion for disgorgement and/or civil penalties,  
11 and at any hearing held on such a motion: (a) Defendant will be precluded from  
12 arguing that he did not violate the federal securities laws as alleged in the  
13 Complaint; (b) Defendant may not challenge the validity of the Consent or this  
14 Judgment; (c) solely for the purposes of such motion, the allegations of the  
15 Complaint shall be accepted as and deemed true by the Court; and (d) the Court  
16 may determine the issues raised in the motion on the basis of affidavits,  
17 declarations, excerpts of sworn deposition or investigative testimony, and  
18 documentary evidence, without regard to the standards for summary judgment  
19 contained in Rule 56(c) of the Federal Rules of Civil Procedure. In connection  
20 with the Commission's motion for disgorgement and/or civil penalties, the parties  
21 may take discovery, including discovery from appropriate non-parties.

22    **V.**

23    IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that the  
24 Consent is incorporated herein with the same force and effect as if fully set forth  
25 herein, and that Defendant shall comply with all of the undertakings and  
26 agreements set forth therein.

27    ///

28    ///

1 VI.  
2  
3  
4

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this  
Court shall retain jurisdiction of this matter for the purposes of enforcing the terms  
of this Judgment.

5  
6 February 1, 2012  
7 Dated: \_\_\_\_\_

*S. James Otero*  
HON. S. JAMES OTERO  
UNITED STATES DISTRICT JUDGE

8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28